

FIRST AMENDMENT TO THE
POWER PURCHASE AND OPERATING AGREEMENT
BETWEEN
THE PUERTO RICO ELECTRIC POWER AUTHORITY
AND
ENERGY ANSWERS ARECIBO, LLC
2010-AI0018

APPEAR

AS FIRST PARTY: Puerto Rico Electric Power Authority, hereinafter referred to as PREPA, a public corporation and government instrumentality of the Commonwealth of Puerto Rico, created by Act 83 of May 2, 1941, as amended, represented in this act by its Executive Director, engineer Ricardo Luis Ramos Rodríguez, of legal age, married, and resident of Caguas, Puerto Rico.

AS SECOND PARTY: Energy Answers Arecibo, LLC, hereinafter referred to as Energy Answers, a corporation organized and existing under the laws of Delaware, authorized to do business in Puerto Rico, represented in this act by its Vice President, mister Mark J. Green, of legal age, married and a resident of Guaynabo, who is authorized to sign this First Amendment on behalf of Energy Answers as certified by written resolutions adopted by its Sole Member, dated as of April 13, 2017.


WITNESSETH


In consideration of the mutual covenants hereinafter stated, the parties agree themselves, their personal representatives, and successors as follows:

STATE

WHEREAS: PREPA and Energy Answers executed on December 4, 2009 a Power Purchase and Operating Agreement (Agreement), for the sale of energy to PREPA from a resource recovery renewable fuel power plant in Arecibo, Puerto Rico (Facility), which will use Fuel derived from municipal solid waste;

WHEREAS, Energy Answers failed to achieve Commercial Operation Date (as defined in the Agreement) of the Facility by sixty (60) Months after the Effective Date established in the Agreement;

WHEREAS, Energy Answers failure to achieve Commercial Operation Date of the Facility by the deadline required by the Agreement would be cause for termination of the Agreement by PREPA;

First Amendment to Contract 2010-AI0018 – PREPA and Energy Answers Arecibo, LLC
Page 2 of 6

WHEREAS, the terms of the Agreement provided for an extension of the Commercial Operation Date due to Force Majeure events, Pending Permits or a Legal Challenge or any delay caused by any act or omission of PREPA, but in no event longer than 84 months, as extended by any delay caused by any act or omission of PREPA;

WHEREAS, Energy Answers has requested PREPA an extension of the Commercial Operation Date due to delays on the process of completing Pending Permits of the Facility; to amend the nameplate capacity at commencement of commercial operation and the capacity available for sale to PREPA; and the Commencement of Construction Date; and

WHEREAS, by virtue of Resolution No. 4495 of April 8, 2017, PREPA's Board of Directors authorized Executive Director to execute this First Amendment to extend the Commercial Operation Date, in accordance with its recommendations; and to execute any other technical or contractual amendments resulting from the negotiation process.


NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed by the Parties, the appearing Parties hereto acknowledge and agree as follows:


1. The second RECITAL is hereby replaced in its entirety by the following:

WHEREAS, the Facility is currently estimated, without representation, warranty or covenant, to have a nameplate capacity at commencement of commercial operation of 87 MW (+/-5%), of which 79 MW is expected to be available for sale to PREPA; and

2. The fifth RECITAL is deleted in its entirety.
3. Article 12. Testing and Initial Synchronization, Section 12.1 is hereby replaced in its entirety by the following:

12.1 Subject to Section 2.1, Energy Answers declares (but does not represent, warrant or covenant) that the estimated nameplate generating capacity for the Facility at commencement of commercial operation is expected to be approximately 87 MW (+/-5%), of which approximately 79 MW (+/- 5%) (the "Agreed Capacity") is expected to be available for sale to PREPA . Any change or changes to the Agreed Capacity will be reflected in one or more supplements and/or modifications to Appendices of this Agreement.

First Amendment to Contract 2010-AI0018 – PREPA and Energy Answers Arecibo, LLC
Page 3 of 6

4. Article 14. Indemnification - is amended as follows:
 - (a) The reference to the capacity in Section 14.4 is changed from 58 MW to 79 MW.
 - (b) Delete Section 14.5.
5. Substitution of APPENDIX B - INTERCONNECTION: effective as of the date hereof, APPENDIX B (Part B) is hereby substituted and replaced in its entirety by APPENDIX B (Part B) attached hereto.
6. Article 16. Termination, Section 16.1 - is hereby replaced in its entirety by the following:

16.1 Termination of this Agreement shall occur only upon: (a) expiration of the Term of this Agreement as provided in Article 5; (b) mutual written consent of the Parties; (c) the election of PREPA following a Development Abandonment, Permanent Abandonment or Permanent Closing, as provided below; (d) the election of the non-defaulting Party following the occurrence of a Breach under Article 17; (e) Energy Answers' failure to achieve the Financial Closing Date and Commencement of Construction by ninety (93) Months after the Effective Date (December 31, 2017); (f) Energy Answers' failure to achieve the Commercial Operation Date by one hundred twenty (120) Months (June 3, 2021) after the Effective Date; and (g) the circumstances provided in Section 16.2. Notwithstanding the foregoing, the dates under subsections (e) and (f) above may be extended on a day by day basis in case of a Force Majeure event, Pending Permits, Legal Challenge or acts or omissions of PREPA up to a maximum of 12 months.


7. The above mentioned amendments apply to all terms and conditions of the Agreement, as applicable.
8. Energy Answers acknowledges that the terms of Article 16.1 in this First Amendment shall be final and that, under no circumstances, including for reason of Force Majeure, Legal Challenge, or Pending Permits shall PREPA be obligated to grant extensions to Energy Answers that are in addition to those provided in Article 16.1.
9. Representations and Warranties of each Party.
 - (a) PREPA hereby represents and warrants to Energy Answers: (i) the execution and delivery by PREPA of this Amendment, and the Amendment itself, have been duly authorized by PREPA's Governing Board and any other applicable PREPA governing body in accordance with applicable law, and (A) do not and

First Amendment to Contract 2010-AI0018 – PREPA and Energy Answers Arecibo, LLC
Page 4 of 6

will not require any additional internal or external consent or approval, (B) do not and will not violate any provision of Act No. 83 of May 2, 1941, as amended, or its regulations, or any material indenture, contract or agreement to which it is a party or by which its properties may be bound; and (ii) this Amendment is a legal, valid, and binding obligation of PREPA, enforceable against PREPA in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of rights generally.

- RH*
JM
- (b) Energy Answers hereby represents and warrants to PREPA: (i) the execution, delivery, and performance by Energy Answers of this Amendment have been duly authorized, and do not and will not (A) require any additional internal consent or approval of Energy Answers, or (B) violate any provision of Energy Answers 's certificate of formation or operating agreement, or any material indenture, contract or agreement to which it is a party or by which it or its properties may be bound, or any law, ordinance, rule, regulation, order, writ, judgment, injunction, decree, determination or award presently in effect; and (ii) this Amendment is a legal, valid and binding obligation of Energy Answers, enforceable against Energy Answers in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of rights generally.
 - 10. Ratification - Except as expressly amended hereby, this Agreement is hereby ratified and confirmed in all respects.
 - 11. No Implied Waiver - This Amendment shall be limited precisely as written and shall not be deemed to be a consent granted pursuant to, or a waiver or modification of, any other term or condition of the Agreement, whether or not known to the Parties, or to prejudice any other right or rights which the Parties may now have or have in the future.
 - 12. Counterparts - This Amendment may be executed in multiple originals or facsimile counterparts, each of which shall be deemed an original and shall be binding upon the Party who executed the same, but all of such counterparts shall constitute the same Amendment.
 - 13. Governing Law - This Amendment shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Puerto Rico and, to the extent applicable, the laws of the United States of America. The Parties herein agree that all Disputes arising hereunder shall be resolved pursuant to Section 22.13 of the Agreement.

First Amendment to Contract 2010-AI0018 – PREPA and Energy Answers Arecibo, LLC
Page 5 of 6

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- JM*
14. Novation - Energy Answers and PREPA expressly agree that no amendment which could be made to the Agreement and this First Amendment, during its term, shall be understood as a Contractual Novation, unless both parties agree to the contrary, specifically and in writing. The previous provision shall be equally applicable in such other cases where PREPA gives the Energy Answers a time extension for the compliance of any of its obligations under the Agreement or where PREPA dispenses the claim or demand of any of its credits or rights under the Agreement.
 15. Capitalized Terms - Unless otherwise stated, capitalized terms used in this Amendment which are not defined in this Amendment have the meaning given in the Agreement.
 16. Release - Each of the Parties on behalf of themselves and their respective heirs, legal and personal representatives, successors and assigns hereby unconditionally and irrevocably, fully, finally and completely release, remise, acquit and forever discharge the other Party, and its predecessors, successors, assigns, affiliate, subsidiaries, parents, employees, officers, director, trustees, attorneys and agents, past, present and future and their respective heirs, successors and assigns (collectively, the "Released Parties"), from any and all actions and causes of action, judgments, executions, suits, debts, liens, claims, demands, liabilities, obligations, damages and expenses of any and every character, known or unknown, direct and/or indirect, at law or in equity, in contract or in tort, under state or federal jurisdiction, and whether or not the economic effect of such alleged matters arise or are discovered in the future, of whatsoever kind or nature, whether heretofore or hereafter arising, for or because of any manner or things done, omitted or suffered to be done by any of the Released Parties prior to and including the First Amendment effective date, and in any way directly or indirectly arising out of or in any way connected to the Power Purchase and Operating Agreement entered into and between the Parties, including claims relating to or by reason of any transaction, loss, cost, damage, expense or liability which occurred or arose prior to the First Amendment effective date is the intent of each releasing Party hereby that any such obligation owed by the other Party (whether the same shall be known or unknown as of the First Amendment effective date) is hereby waived and released.

All other terms and conditions, specifications, stipulations, insurances, and requirements established in the Agreement remain unaltered and fully enforceable.

This is the agreement between the appearing Parties under this First Amendment and so is hereby ratified.

First Amendment to Contract 2010-AI0018 – PREPA and Energy Answers Arecibo, LLC
Page 6 of 6

IN WITNESS WHEREOF, the Parties hereto have agreed to execute this First
Amendment in San Juan, Puerto Rico, on this 13 day of June, 2017.

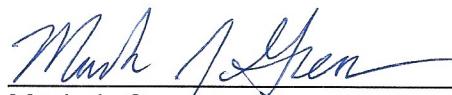
Puerto Rico Electric Power Authority



Ricardo Luis Ramos Rodríguez
Executive Director
Social Security: 660-43-3747



Energy Answers Arecibo, LLC



Mark J. Green
Vice President
Federal Identification: 800-48-7517

APPENDIX B
INTERCONNECTION, PART B

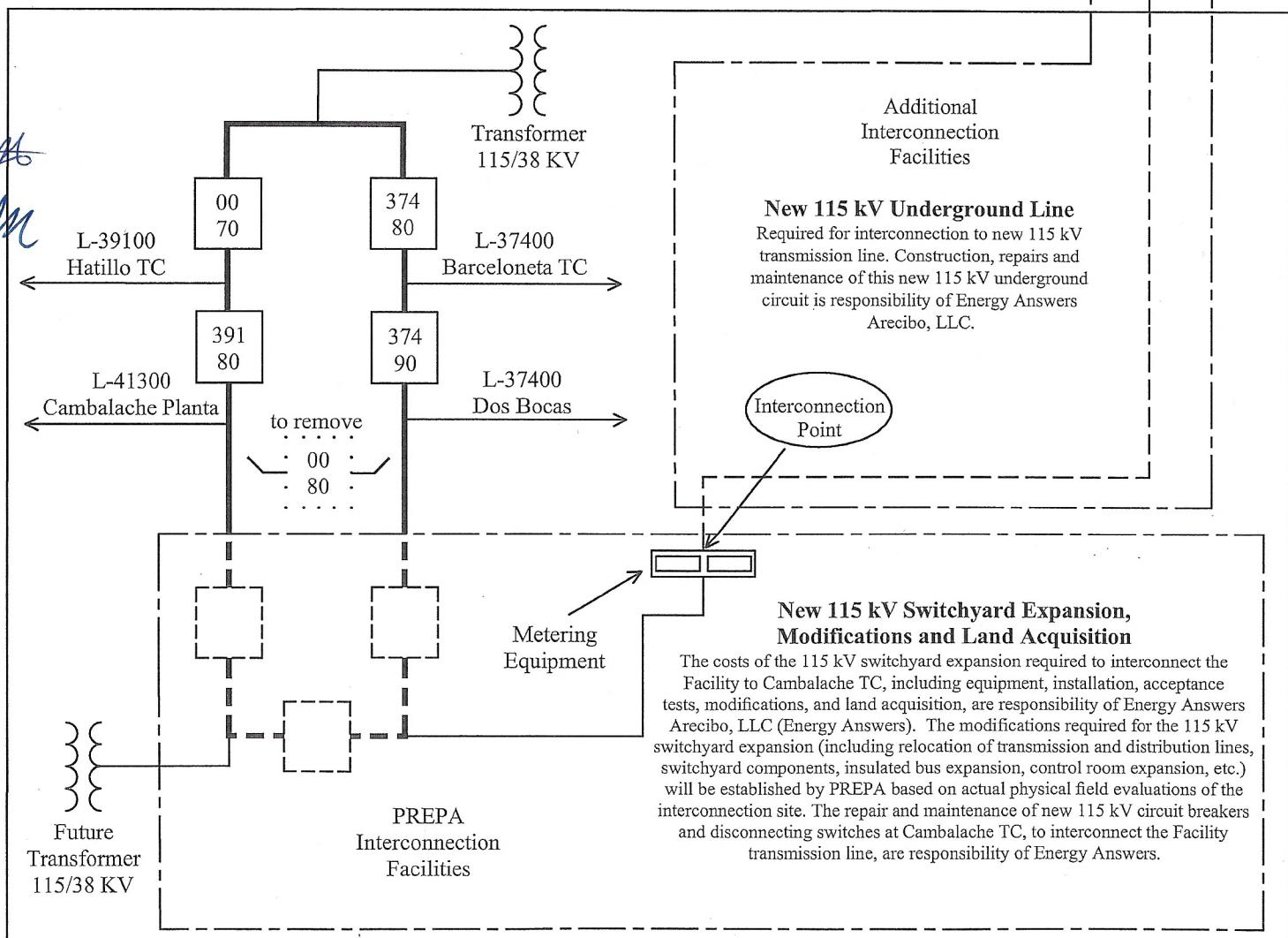
ENERGY ANSWERS ARECIBO, LLC
ELECTRICAL INTERCONNECTION
ARECIBO, P.R.

*Energy Answers Arecibo, LLC
Project Facilities
87 MW +/- 5% Gross
79 MW Net*

New 115 kV Transmission Line

Acquisition of new right of way, maintenance and construction of new transmission line are responsibility of Energy Answers Arecibo, LLC. This new 115 kV circuit shall be built completely out of PREPA'S actual right of way.

**Cambalache TC
115 kV Switchyard**



TITLE:

Energy Answers Arecibo, LLC
Electrical Interconnection Cambalache TC

COMPANY:

AEE
(Puerto Rico Electric Power Authority)

